

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF WASHINGTON
SEATTLE DIVISION

RICHARDO SALOM, CATHERINE
PALAZZO as assignee for Ruben Palazzo, and
PETER HACKINEN, *on their own behalf and
on behalf of other similarly situated persons,*

Plaintiffs,

vs.

NATIONSTAR MORTGAGE LLC d/b/a
CHAMPION MORTGAGE, CHAMPION
MORTGAGE COMPANY, CHAMPION
MORTGAGE COMPANY LLC,
CHAMPION MORTGAGE COMPANY OF
TEXAS, CHAMPION MORTGAGE OF
OHIO, MR. COOPER, NATIONSTAR,
NATIONSTAR MORTGAGE,
NATIONSTAR MORTGAGE LLC,
RIGHTPATH LOAN SERVICING,
RIGHTPATH SERVICING, RUSHMORE
LOAN SERVICING, AND RUSHMORE
SERVICING,

Defendants.

Case No.

**NOTICE OF REMOVAL OF ACTION
PURSUANT TO 28 U.S.C. §§ 1331, 1441
AND 1446**

TO: CLERK OF THE COURT;

AND TO: ALL PARTIES AND THEIR COUNSEL OF RECORD.

PLEASE TAKE NOTICE that, for the reasons set forth below, Defendant Nationstar
Mortgage LLC d/b/a Champion Mortgage *erroneously sued as Champion Mortgage Company,*
Champion Mortgage Company LLC, Champion Mortgage Company of Texas, Champion Mortgage

1 *Company of Ohio*” (“Nationstar” or “Defendant”), hereby removes the above-captioned action
 2 *Richardo Salom et al. v. Nationstar Mortgage LLC d/b/a Champion Mortgage et al.*, Case No. 24-
 3 2-04553-8 SEA, from the Superior Court of the State of Washington in and for the County of King
 4 to the United States District Court for the Western District of Washington.

5 This Notice of Removal is filed pursuant to 28 U.S.C. §§ 1331, 1441, and 1446, and the
 6 Western District of Washington Local Civil Rule 101. In support of its removal of this action,
 7 Nationstar states as follows:

8 **I. Procedural Background**

9 1. On February 28, 2024, Plaintiffs Richardo Salom, Catherine Palazzo as assignee for
 10 Ruben Palazzo, and Peter Hackinen, on their own behalf and on behalf of other similarly situated
 11 persons (“Plaintiffs”) filed a Complaint (“Compl.”) against Nationstar Mortgage LLC d/b/a
 12 Champion Mortgage, Champion Mortgage Company, Champion Mortgage Company LLC,
 13 Champion Mortgage Company of Texas, Champion Mortgage Company of Ohio, Mr. Cooper,
 14 Nationstar, Nationstar Mortgage, Nationstar Mortgage LLC, Rightpath Loan Servicing, Rightpath
 15 Servicing, and Rushmore Servicing, in the Superior Court of King County, Washington (the “State
 16 Court Action”). The State Court Action was assigned Case No. 24-2-04553-8 SEA.

17 2. Nationstar was served with the Complaint on March 4, 2024.

18 3. This case was brought by Plaintiffs against Defendants. Compl., ¶¶ 1-18.

19 4. The other defendants, Mr. Cooper, Nationstar, Nationstar Mortgage, Nationstar
 20 Mortgage LLC, Rightpath Loan Servicing, Rightpath Servicing, and Rushmore Servicing, have not
 21 yet been served. *See* State Court Docket.

22 **II. Parties**

23 5. Plaintiff Richardo Salom is a resident of the State of Washington. Compl., ¶ 21.

24 6. Plaintiff Catherine Palazzo is a resident of the State of Maryland. Compl., ¶ 22.

25 7. Plaintiff Peter Hackinen is a resident of the State of Maryland. Compl., ¶ 23.

26 8. Nationstar is a Delaware Limited Liability Company, and is an indirect, wholly
 27 owned subsidiary of a publicly traded company, Mr. Cooper Group Inc. (“Mr. Cooper”), a
 28 Delaware corporation. Nationstar is directly owned by two entities: (1) Nationstar Sub1 LLC

1 (“Sub1”) (99%) and (2) Nationstar Sub2 LLC (“Sub2”) (1%). Both Sub1 and Sub2 are Delaware
 2 limited liability companies. Sub1 and Sub2 are both 100% owned by Nationstar Mortgage Holdings
 3 Inc. (“NSM Holdings”). NSM Holdings is incorporated in Delaware and has its principal place of
 4 business in Texas. NSM Holdings is a wholly owned subsidiary of Mr. Cooper. More than 10% of
 5 the stock of Mr. Cooper is owned by BlackRock, Inc., a Delaware corporation, and certain of its
 6 affiliates.

7 **III. Federal Question Jurisdiction**

8 9. In their Complaint, Plaintiffs allege that Nationstar violated the Fair Debt Collection
 9 Practices Act, 15 U.S.C. §§ 1692, *et seq.* (“FDCPA”) by charging and collecting illegal payoff
 10 statement fees (“Payoff Fees”) when borrowers requested payoff statements. Compl., ¶¶ 2, 26-35.
 11 As relief, Plaintiffs seek actual, statutory and punitive damages in an unspecified amount, and
 12 attorney’s fees and costs. Compl., Prayer for Relief, ¶¶ 3-7.

13 10. This Court has original jurisdiction over all civil actions arising under federal law.
 14 28 U.S.C. § 1331. Thus, the Complaint presents a federal question pursuant to 28 U.S.C. § 1331
 15 for purposes of removal.

16 11. A defendant may remove a case from state court to federal court if the federal court
 17 has original jurisdiction over the case. *See* 28 U.S.C. § 1441(a). A case may be removed to federal
 18 court if it could have been brought in federal court originally. 28 U.S.C. § 1441; *see also Beneficial*
 19 *Nat’l Bank v. Anderson*, 539 U.S. 1, 6 (2003).

20 12. Federal courts can hear “all cases, in law and equity, arising under this Constitution,
 21 [and] the laws of the United States . . .” U.S. Const., Art III, Sec 2. This clause has been interpreted
 22 broadly and courts have found that this clause allows federal courts to hear any case in which there
 23 is a federal ingredient. *Osborn v. Bank of the United States*, 22 U.S. 738 (1824). Additionally, 28
 24 U.S.C. § 1331 gives federal courts jurisdiction only to hear those cases which arise under federal
 25 law. A “suit arises under the law that creates the cause of action.” *Am. Well Works v. Layne*, 241
 26 U.S. 257 (1916).

27 13. This Court has federal question jurisdiction over this action because the allegations
 28 asserted by Plaintiffs in their Complaint involve questions that will require resolution of disputed

1 issues arising under federal law. Specifically, this case qualifies for federal question jurisdiction
 2 and is removable because Plaintiffs' Complaint alleges a violation of the FDCPA.

3 14. If any questions arise as to the propriety of the removal of this action, Nationstar
 4 requests the opportunity to present a brief and argument in support of its position that this case is
 5 removable.

6 **IV. Supplemental Jurisdiction**

7 15. In addition to a claim under the FDCPA, Plaintiffs assert claims under Washington
 8 and Maryland state law. Plaintiff alleges violations of the Maryland Consumer Debt Collection
 9 Act, Md. Code, Com. L. § 14-202, *et seq.* ("MCDCA"), the Washington State Consumer Agency
 10 Act, R.C.W. §§ 19.86, *et seq.* ("WCPA"), and the Washington State Collection Agency Act, R.C.W.
 11 § 19.16.250 *et seq.* ("WCAA"). Compl., ¶¶ 36-52.

12 16. The state law claim stems from the same facts as the FDCPA claim. All the claims
 13 arise from the same alleged imposition and collection of Payoff Fees that Plaintiffs claim violate
 14 the FDCPA.

15 17. Because this Court has federal question jurisdiction over the Plaintiffs' FDCPA
 16 claim, it should exercise jurisdiction over the state law claims, which arise from the same facts.
 17 *See Nalan v. Access Finance, Inc.*, 5:20-cv-02785-EJB, 2020 WL 6270945, at *4 (N.D. Cal. Oct.
 18 23, 2020) ("state and federal law claims must 'derive from a common nucleus of operative fact' in
 19 order for the court to exercise supplemental jurisdiction over the state law claims."); *Watts v.*
 20 *Enhanced Recovery Corp.*, No. 10-CV-02606-LHK, 2010 WL 3448508, *2 (N.D. Cal. Sept. 1,
 21 2010) ("Plaintiff's complaint asserts claims under the federal Fair Debt Collection Practices Act . .
 22 ., the federal Consumer Credit Reporting Agencies Act . . . , and the federal Telephone Consumer
 23 Protection Act Plaintiff's action clearly arises under federal law, and this Court has
 24 supplemental jurisdiction over the remaining state law claims under 28 U.S.C. § 1367.");
 25 *Mackintosh v. Lyft, Inc.*, No. 2:19-cv-1849-MCE-KJN PS, 2019 U.S. Dist. LEXIS 190252, *6 (E.D.
 26 Cal. Nov. 1, 2019) ("Plaintiff's numerous state-law claims appear to arise out of the same nucleus
 27 of facts as his federal claims, and so the Court maintains supplemental jurisdiction over the state-
 28 law claims. 28 U.S.C. § 1367").

V. Venue

18. Pursuant to 28 U.S.C. § 1446(a), this Notice of Removal is being filed in the United States District Court for the Western District of Washington, which is the district in which the State Court Action was filed. Accordingly, venue is proper.

VI. The Remaining Requirements for Removal Are Satisfied.

19. Removal is timely under 28 U.S.C. § 1446(b)(1) because Nationstar has removed the State Court Action within 30 days of service of the Complaint and the Notice is being filed within one (1) year of the date of commencement of the action for removal purposes.

20. This Notice of Removal is signed pursuant to Fed. R. Civ. P. 11, in compliance with 28 U.S.C. § 1446(a).

21. Copies of all process, pleadings, and orders served upon Nationstar in the State Court Action are attached hereto as **Exhibit A**, in compliance with 28 U.S.C. § 1446(a).

22. This Notice of Removal is being served on all adverse parties as required by 28 U.S.C. § 1446(d).

23. “All defendants **who have been properly joined and served** must join in or consent to the removal of the action.” 28 U.S.C. 1446(b)(2) (emphasis added); *see also Salveson v. Western States Bankcard Ass’n*, 731 F.2d 1423, 1429 (9th Cir. 1984) (noting that “a party not served need not be joined” in a petition for removal). While the remaining defendants listed at paragraph 4 above have not been properly served; they have all consented to removal.

24. By filing this Notice of Removal, Nationstar does not waive and expressly reserves any defenses that may be available to it (including without limitation defenses relating to jurisdiction) and does not concede that the allegations in the Complaint state a valid claim under any applicable law.

25. Nationstar reserves the right to submit at an appropriate time and under appropriate confidentiality protections factual support, evidence, and affidavits to support the foregoing bases for federal jurisdiction, should additional information or evidence become necessary.

26. Nationstar reserves the right to supplement or amend the foregoing Notice of Removal to add other bases for federal jurisdiction that become apparent as a result of any amended complaint filed by Plaintiffs in this Action.

WHEREFORE, having met all the requirements for removal under 28 U.S.C. §§ 1441 and 1446, including all the jurisdictional requirements of 28 U.S.C. § 1331, Nationstar, respectfully removes this case from the Superior Court of Kern County, Washington, to the United States District Court for the Western District of Washington, and seeks whatever further relief this Court deems equitable and just.

Dated: April 2, 2024.

TROUTMAN PEPPER
HAMILTON SANDERS LLP

By: /s/ Thomas N. Abbott

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ATTORNEYS FOR DEFENDANT
NATIONSTAR MORTGAGE LLC D/B/A
CHAMPION MORTGAGE

VERIFICATION

Pursuant to Western District of Washington Local Civil Rule 101(c), the undersigned counsel for Nationstar, hereby verifies that the documents attached hereto as Exhibit A are true and complete copies of all the records and proceedings in the state court proceeding.

I declare under penalty of perjury that the foregoing is true and correct.

EXECUTED at Portland, Oregon on this 2nd day of April, 2024.

/s/ Thomas N. Abbott

Thomas N. Abbott, WSBA

CERTIFICATE OF SERVICE

I hereby certify that on this April 2, 2024, a copy of the foregoing document was served on all of the parties as stated below:

Christina L. Henry
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10728 16th Ave SW.
Seattle, WA 98146

☒ via efilng/email
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Attorneys for Plaintiffs

DATED this 2nd day of April, 2024.

/s/ Evelyn Duarte